Assessment Year 1983-84

IN THE HIGH COURT OF UTTARANCHAL AT NAINITAL

Income Tax Appeal No. 369 of 2001
(Old No. 131/1999)

The Commissioner of Income Tax Meerut,
And another … Appellants

Vs.

Atwood Oceanics International S.A.
As agent of Mr. P. Carter … Respondent

Mr. S.K. Posti, Advocate for the appellants.
None for the respondent.

Hon'ble M.M. Ghildiyal, J.
Hon'ble B.S. Verma, J.

Heard learned counsel for the appellants.

By means of this appeal following questions of law are raised for consideration of this Court:-

1- Whether the learned Income Tax Appellate Tribunal was legally correct to treat the continental shelf to the exclusive economic zone as not forming part of India prior to 1.4.1983 for the purposes of Income Tax Act, 1961?

2- Whether the learned Appellate Tribunal was justified in holding that the salary Income earned by the respondent-employees for services rendered prior to 1.4.1983 in a rig located in the off-shore areas outside the territorial waters of India, was not chargeable to Tax under the Income Tax Act, 1961, for the Assessment year 1983-84?

Counsel for the appellant has submitted that the controversy raised in this appeal is squarely covered by the decision of the Division Bench of this Court in Commissioner of Income Tax and another v. Atwood Oceanics International S.A. decided on Oct. 16, 2003, reported in ITA Vol. 264 page 761 and the appeal may be decided in terms of the of aforesaid decision of the Division Bench of this Court.

Keeping in view of the aforesaid facts, the appeal is decided in terms of the decision of the Division Bench of this Court in Commissioner of Income Tax and another v. Atwood Oceanics

International S.A. decided on Oct. 16, 2003, reported in ITA Vol. 264 page 761. Accordingly, both the questions of law raised through this appeal are decided in favour of the assessee and against the Department. No order as to costs.

(Brahma Singh Verma, J.) **(M.M. Ghildiyal, J.)**

July 15, 2004:
NCM: